

Town of Julesburg, Colorado

Financial Statements

For the Year ended December 31, 2022

Table of Contents

	Page
Independent Auditors' Report	1-3
Management's Discussion and Analysis	4-9
 Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	12
Statement of Activities	14-15
Fund Financial Statements	
Balance Sheet – Governmental Funds	16-17
Statement of Revenues, Expenditures and Changes in Fund	
Balance – Governmental Funds	18-19
Statement of Net Position – Proprietary Funds	20-23
Statement of Revenues, Expenses and Changes in Fund Net	
Position – Proprietary Funds	24-25
Statement of Cash Flows – Proprietary Funds	26-29
Statement of Fiduciary Net Position – Fiduciary Funds	30
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	31
Notes to Financial Statements	32-53
 Required Supplementary Information	
Schedule of Changes in the Town's Net Pension Liability/(Asset) and Related	
Ratios – Town of Julesburg Volunteer Fire Pension Plan	56-57
Schedule of Town Contributions – Town of Julesburg Volunteer Fire Pension Plan	58
Schedule of Investment Return- Town of Julesburg Volunteer Fire Pension Plan	60-61
General Fund - Budgetary Comparison Schedule	62
Capital Improvement Fund - Budgetary Comparison Schedule	63
Swimming Pool Fund - Budgetary Comparison Schedule	64
Notes to the Required Supplementary Information	65

Table of Contents

	<u>Page</u>
Other Supplementary Information	
General Fund	
Budgetary Comparison Schedule – Revenues	70
Budgetary Comparison Schedule – Expenditures	72-74
Budgetary Comparison Schedule – Nonmajor Governmental Funds	
Conservation Trust Fund – Budgetary Comparison Schedule	76
Budgetary Comparison Schedules – Proprietary Funds	
Electric Fund – Budgetary Comparison Schedule	78-79
Water Fund – Budgetary Comparison Schedule	80-81
Sewer Fund – Budgetary Comparison Schedule	82-83
Sanitation Fund – Budgetary Comparison Schedule	84-85
Budgetary Comparison Schedule – Internal Service Fund	
Capital Replacement Fund – Budgetary Comparison Schedule	88
Budgetary Comparison Schedule – Fiduciary Fund	
Firemen’s Pension Fund – Budgetary Comparison Schedule	90
Colorado Department of Highways Local Highway Finance Report	92-93

Independent Auditors' Report

To the Honorable Mayor and Members of Town Council
Town of Julesburg
Julesburg, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Julesburg (the Town), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing the audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and historical pension information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the

information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The other supplementary information and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
June 13, 2023

MANAGEMENT DISCUSSION AND ANALYSIS

This section of the Town of Julesburg, Colorado's annual financial report presents the discussion and analysis of the financial performance for the fiscal year that ended December 31, 2022.

FINANCIAL HIGHLIGHTS

- The Town of Julesburg remains in good financial condition.
- The assets and deferred outflows of resources of the Town of Julesburg exceeded its liabilities and deferred inflows of resources at the close of 2022 by \$12,139,364 (net position).
- During the year, the Town's revenue from taxes and other revenues for governmental programs were more than the expenses by \$1,099,219.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town of Julesburg's basic financial statements. The Town of Julesburg's basic financial statements are comprised of three components:

- Government-wide financial statements
- Fund financial statements.
- Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies.

The **statement of net position** presents information on all of the Town of Julesburg's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Julesburg is improving or deteriorating.

The **statement of activities** presents information showing how the Town of Julesburg's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future fiscal periods (e.g., uncollected taxes.)

The government-wide financial statements of the Town are divided into two categories:

- **Governmental activities.** Most of the Town's basic services are included here, such as the fire, public works, parks, recreation, and general administration. Property tax, franchise tax, intergovernmental revenue and charges for services finance most of these activities.
- **Business-type activities.** The Town charges fees to customers to recover most of the costs of certain services provided. The Town's electric, water, sewer and sanitation systems are included here.

The government-wide financial statements can be found starting on page 12 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law; however, the Board of Trustees has established other funds to help control and manage money for particular purposes or to show that it is properly using certain revenue (the Conservation Trust and Capital Improvement Funds). All of the funds of the Town of Julesburg can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end are available for spending. The funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statement provides a detailed, short-term view to cash, the governmental fund operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information at the bottom of the governmental funds statement is provided, or on the subsequent page, that explains the relationship (or differences) between them.

The basic governmental fund financial statements can be found starting on page 16 of this report.

Proprietary funds. When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The basic proprietary fund financial statements can be found starting on page 20 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

The basic fiduciary fund financial statements can be found starting on page 30 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 32 of this report.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Julesburg, assets and deferred outflows exceed liabilities and deferred inflows by \$12,139,364 at the close of 2022.

Net Position

Combined net position of the Town of Julesburg as of December 31, 2022 and 2020 are shown in Table 1 below.

Table 1
NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 4,395,991	\$ 1,203,770	\$ 2,815,488	\$ 2,578,492	\$ 7,211,479	\$ 3,782,262
Capital assets	3,294,080	2,986,078	5,586,917	5,599,356	8,880,997	8,585,434
Total assets	7,690,071	4,189,848	8,402,405	8,177,848	16,092,476	12,367,696
Deferred outflows of resources	14,089	14,288	-	-	14,089	14,288
Total assets and deferred outflows of resources	<u>\$ 7,704,160</u>	<u>\$ 4,204,136</u>	<u>\$ 8,402,405</u>	<u>\$ 8,177,848</u>	<u>\$ 16,106,565</u>	<u>\$ 12,381,984</u>
Long-term liabilities	\$ 2,550,064	\$ 183,277	\$ 489,759	\$ 548,232	\$ 3,039,823	\$ 731,509
Other liabilities	48,745	49,704	442,215	351,606	490,960	401,310
Total liabilities	2,598,809	232,981	931,974	899,838	3,530,783	1,132,819
Deferred inflows of resources	436,418	401,441	-	-	436,418	401,441
Net position:						
Net investment in capital assets	3,294,080	2,986,078	5,130,917	5,069,757	8,424,997	8,055,835
Restricted	3,728,164	241,318	42,016	41,737	3,770,180	283,055
Unrestricted (deficit)	(2,353,311)	342,318	2,297,498	2,166,516	(55,813)	2,508,834
Total net position	<u>4,668,933</u>	<u>3,569,714</u>	<u>7,470,431</u>	<u>7,278,010</u>	<u>12,139,364</u>	<u>10,847,724</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 7,704,160</u>	<u>\$ 4,204,136</u>	<u>\$ 8,402,405</u>	<u>\$ 8,177,848</u>	<u>\$ 16,106,565</u>	<u>\$ 12,381,984</u>

The largest portion of the Town of Julesburg's net position, 69.40%, reflects its investment in capital assets (land, buildings and equipment). The Town of Julesburg uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. In addition, a portion of the Town of Julesburg's net position, 31.06%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, (.46)%, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of 2022, the Town of Julesburg is able to report positive balances in two of the three categories of net position for the governmental activities, and all three categories for the business-type activities.

Changes in net position

The Town's total revenue of \$4,537,911 was more than program expenses of \$3,246,271 for an increase in net position of \$1,291,640.

Table 2 shows the summarized revenues and expenses for 2022 and 2021.

Table 2
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Program revenues						
Charges for services	\$ 49,613	\$ 60,022	\$ 2,418,054	\$ 2,315,524	\$ 2,467,667	\$ 2,375,546
Operating grants and contributions	122,442	283,434	-	10,000	122,442	293,434
Capital grants and contributions	1,015,040	-	-	-	1,015,040	-
General revenues						
Property taxes	363,084	343,804	-	-	363,084	343,804
Sales and use taxes	455,720	198,992	-	-	455,720	198,992
Specific ownership taxes	40,780	43,565	-	-	40,780	43,565
Franchise taxes	13,509	13,386	-	-	13,509	13,386
Other taxes	2,189	2,722	-	-	2,189	2,722
Interest earnings	7,339	1,315	7,721	7,949	15,060	9,264
Sale of assets	-	-	-	-	-	-
Miscellaneous	24,425	32,008	17,995	32,006	42,420	64,014
Transfers	-	60,000	-	(60,000)	-	-
Total revenues	2,094,141	1,039,248	2,443,770	2,305,479	4,537,911	3,344,727
Program expenses						
General government	136,883	253,580	-	-	136,883	253,580
Public safety	79,710	117,835	-	-	79,710	117,835
Public works	330,134	274,329	-	-	330,134	274,329
Culture and recreation	324,237	339,358	-	-	324,237	339,358
Interest and fiscal charges	123,958	-	-	-	123,958	-
Electric services	-	-	1,311,705	1,161,942	1,311,705	1,161,942
Water services	-	-	426,395	323,400	426,395	323,400
Sewer services	-	-	284,108	292,271	284,108	292,271
Sanitation services	-	-	229,141	198,616	229,141	198,616
Total expenses	994,922	985,102	2,251,349	1,976,229	3,246,271	2,961,331
Change in net position	907,046	54,146	192,421	329,250	1,291,640	383,396
Net position at beginning of year	3,569,714	3,515,568	7,278,010	6,948,760	10,847,724	10,464,328
Net position at end of year	<u>\$ 4,668,933</u>	<u>\$ 3,569,714</u>	<u>\$ 7,470,431</u>	<u>\$ 7,278,010</u>	<u>\$ 12,139,364</u>	<u>\$ 10,847,724</u>

Governmental Activities

Revenue for the Town's governmental activities totaled \$2,094,141 for 2022. Tax revenue produced 42% of these revenues. Tax revenue includes property taxes, sales and use taxes, specific ownership taxes, franchise taxes and other taxes.

Table 3
GOVERNMENTAL ACTIVITIES

	Total cost of services		Net cost of services	
	2022	2021	2022	2021
General government	\$ 136,883	\$ 253,580	\$ 119,701	\$ 80,638
Public safety	79,710	117,835	79,710	117,835
Public works	330,134	274,329	217,579	155,098
Culture and recreation	324,237	339,358	(733,121)	288,075

Table 3 presents the cost and revenue of each of the Town's four largest programs – general government, public safety, public works, and culture recreation – as well as each program's *net* cost (total cost less revenues generated by activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

Business-type Activities

Net position in business-type activities increased by \$192,421 in 2022. Business-type activities include electric, water, sewer and sanitation services.

Table 4
BUSINESS-TYPE ACTIVITIES

	Total cost of services		Net cost of services	
	2022	2021	2022	2021
Electric services	\$ 1,311,705	\$ 1,161,942	\$ 22,919	\$ (114,192)
Water services	426,395	323,400	(111,010)	(151,311)
Sewer services	284,108	292,271	(80,060)	(69,642)
Sanitation services	229,141	198,616	1,446	(14,150)

Table 4, above, presents the cost and revenue of each of the Town's business-type activities – electric, water, sewer, and sanitation – as well as the program *net* cost (total cost less revenues generated by activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

THE TOWN'S FUNDS

As the Town completed the year, its governmental funds (as presented in the balance sheet on page 16) reported a combined fund balance of \$3,960,134. The general fund, capital improvement fund, swimming pool fund and other governmental funds reported fund balances of \$251,970, \$169,707, \$3,525,152 and \$13,305 respectively.

General Fund Budgetary Highlights

Since 2019, the Town incurred significant expenses to install the infrastructure and street at the I-76 interchange area in hopes of acquiring new businesses and a long-term source of sales tax, lodging tax or fuel tax revenue. One parcel has been sold to Sedgwick County who, in turn, will sell the parcel to Cobblestone Inn and Suites to build a new hotel on the site. Construction is slated to begin mid-2023 and be completed by the end of 2024.

Upgrades and repairs were made to Town Hall such as adding a security system, adding a front entrance lobby, adding an additional exterior door and enlarging the public meeting space for the Board Meetings, Municipal elections and Municipal Court.

As voters approved, the Town secured a bond for the swimming pool replacement project. Bids for the project have been requested and the engineers have completed the design. Demolishing of the current pool and pool house and construction of the new swimming pool and pool house is expected to begin mid-2023 and be completed by Memorial Day 2024.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The Town of Julesburg's investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounts to \$8,880,997 (net of accumulated depreciation). This amount includes a broad range of capital assets, including public works equipment, electric, water, sewer, sanitation and other infrastructure.

The Town remains committed to the upkeep and maintenance of the Town's largest assets. More detailed information about the Town's capital assets is presented in Table 5.

Table 5
CAPITAL ASSETS

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land and land improvements	\$ 1,873,565	\$ 1,920,332	\$ 23,250	\$ 23,250	\$ 1,896,815	\$ 1,943,582
Construction in progress	365,796	-	404,103	404,103	769,899	404,103
Buildings and improvements	939,239	988,931	173,441	147,106	1,112,680	1,136,037
Machinery and equipment	115,480	76,815	582,643	554,149	698,123	630,964
Systems	-	-	4,403,480	4,470,748	4,403,480	4,470,748
Total	\$ 3,294,080	\$ 2,986,078	\$ 5,586,917	\$ 5,599,356	\$ 8,880,997	\$ 8,585,434

Long-term debt. The Town had \$2,891,600 in debt outstanding at year-end consisting of accrued compensated absences and outstanding notes payable. This debt incumbency was incurred by the Town in an effort to meet the State of Colorado's water and wastewater permit requirements. A water treatment plant was installed and put on line in 2001 to meet the nitrate regulations required within the Safe Water Drinking Act and in 2003 the existing wastewater lagoon system was replaced with a mechanical treatment plant to meet the State's wastewater organics (BOD) removal standards. Total construction costs are expected to be approximately \$3,200,000 and \$2,600,000, respectfully and the project will operate a deep well injection system to address the treatment of brine.

In 1950, Julesburg built our open-air outdoor public swimming pool that is operational during the Summer months. The pool and pool house required more than short-term repairs and voters approved a sales tax and bonding to finance a pool replacement project. Voters approved a \$4,000,000 bonding debt which is placed with Bank of the San Juans. The design of the new pool and pool house has been presented to the Board of Trustees and we are currently going through the bid process.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Town continues to address the upgrades needed at the water and wastewater facilities to comply with the State's regulations for treating the reverse osmosis brine. The Town received our monies from the American Rescue Plan Act and have designated this funding towards this upgrades project. The Town does anticipate securing a new loan when the upgrades begin and continues to apply to as many grantors as we are eligible to assist in the costs of the project. Rates and fees structure will be adjusted as dictated by the lenders and State for the remaining monies needed for the project.

In the Campbell Subdivision, the new K-12 grade facility is nearing completion and anticipates being occupied by students in Fall 2023. Also, in this zoning area of town, the numerous lots that the former homebuilder purchased have been litigated and a new contact entity oversees the lots. The Town did not budget for infrastructure that needs to be installed and will work with the realtor, home buyer and property owner as best as we are able to meet their timeline to install the infrastructure to allow the homes to be built in this subdivision.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the funds and assets it receives. If you have questions about this report, or should you need additional financial information, contact Town of Julesburg, 100 West Second Street, Julesburg, Colorado, 80737.

This page intentionally left blank.

Basic Financial Statements

The basic financial statements of the Town include the following:

Government-wide financial statements. The government-wide statements display information about the reporting government as a whole, except for its fiduciary activities.

Fund financial statements. The fund financial statements display information about major funds individually and nonmajor funds in the aggregate for governmental and proprietary funds.

Notes to the financial statements. The notes communicate information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements. As such, the notes are an integral part of the basic financial statements.

TOWN OF JULESBURG, COLORADO
Statement of Net Position
December 31, 2022

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	\$ 3,805,004	\$ 1,205,053	\$ 5,010,057
Cash with county treasurer	4,450		4,450
Certificates of deposit	189,206	1,124,707	1,313,913
Receivables	484,983	263,795	748,778
Internal balances	(87,652)	87,652	-
Inventories		92,265	92,265
Restricted cash		42,016	42,016
Capital assets, net of depreciation	3,294,080	5,586,917	8,880,997
Total assets	7,690,071	8,402,405	16,092,476
Deferred outflows of resources			
Pension deferrals	14,089		14,089
Total assets and deferred outflows of resources	\$ 7,704,160	\$ 8,402,405	\$ 16,106,565
Liabilities			
Accounts payable	\$ 39,905	\$ 123,083	\$ 162,988
Unearned revenue	4,349	310,582	314,931
Accrued interest payable	4,491	8,550	13,041
Noncurrent liabilities			
Due within one year	105,000	17,000	122,000
Due in more than one year	2,296,841	472,759	2,769,600
Net pension liability	148,223		148,223
Total liabilities	2,598,809	931,974	3,530,783
Deferred inflows of resources			
Deferred property tax revenues	382,985		382,985
Pension deferrals	53,433		53,433
Total deferred inflows of resources	436,418	-	436,418
Net position			
Net investment in capital assets	3,294,080	5,130,917	8,424,997
Restricted for emergencies	20,000		20,000
Restricted for capital improvements	169,707		169,707
Restricted for swimming pool improvements	3,525,152		3,525,152
Restricted for culture and recreation	13,305		13,305
Restricted for note reserve		42,016	42,016
Unrestricted (deficit)	(2,353,311)	2,297,498	(55,813)
Total net position	4,668,933	7,470,431	12,139,364
Total liabilities, deferred inflows of resources and net position	\$ 7,704,160	\$ 8,402,405	\$ 16,106,565

The accompanying notes are an integral part of these financial statements.

This page intentionally left blank.

TOWN OF JULESBURG, COLORADO
Statement of Activities
For the Year Ended December 31, 2022

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 136,883	\$ 9,662	\$ 7,520	
Public safety	79,710			
Public works	330,134	19,887	92,668	
Culture and recreation	324,237	20,064	22,254	\$ 1,015,040
Interest and fiscal charges	123,958			
Total governmental activities	994,922	49,613	122,442	1,015,040
Business-type activities				
Electric	1,311,705	1,288,786		
Water	426,395	537,405		
Sewer	284,108	364,168		
Sanitation	229,141	227,695		
Total business-type activities	2,251,349	2,418,054	-	-
Total	\$ 3,246,271	\$ 2,467,667	\$ 122,442	\$ 1,015,040
General revenues				
Taxes				
Property taxes, levied for general purposes				
Sales and use taxes				
Specific ownership taxes				
Franchise taxes				
Other taxes				
Interest earnings				
Miscellaneous				
Total general revenues				
Change in net position				
Net position at beginning of year				
Net position at end of year				

The accompanying notes are an integral part of these financial statements.

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (119,701)		\$ (119,701)
(79,710)		(79,710)
(217,579)		(217,579)
733,121		733,121
(123,958)		(123,958)
192,173		192,173
	\$ (22,919)	(22,919)
	111,010	111,010
	80,060	80,060
	(1,446)	(1,446)
	166,705	166,705
192,173	166,705	358,878
363,084		363,084
455,720		455,720
40,780		40,780
13,509		13,509
2,189		2,189
7,339	7,721	15,060
24,425	17,995	42,420
907,046	25,716	932,762
1,099,219	192,421	1,291,640
3,569,714	7,278,010	10,847,724
<u>\$ 4,668,933</u>	<u>\$ 7,470,431</u>	<u>\$ 12,139,364</u>

TOWN OF JULESBURG, COLORADO
Balance Sheet
Governmental Funds
December 31, 2022

	General Fund	Capital Improvement Fund	Swimming Pool Fund	Other Governmental Fund
Assets				
Cash	\$ 69,968	\$ 240,195	\$ 3,481,536	\$ 13,305
Cash with county treasurer	4,450			
Certificates of deposit	189,206			
Due from other funds	7,121			
Property taxes receivable	382,985			
Special assessments receivable	4,349			
Other taxes receivable	21,130	32,903	43,616	
Total assets	\$ 679,209	\$ 273,098	\$ 3,525,152	\$ 13,305
Liabilities				
Accounts payable	\$ 39,905			
Due to other funds		\$ 103,391		
Unearned revenues	4,349			
Total liabilities	44,254	103,391	\$ -	\$ -
Deferred inflows of resources				
Deferred property tax revenues	382,985			
Total deferred inflows of resources	382,985	-	-	-
Fund balance				
Restricted for:				
Emergencies	20,000			
Capital improvements		169,707		
Swimming pool improvements			3,525,152	
Culture and recreation				13,305
Unassigned	231,970			
Total fund balance	251,970	169,707	3,525,152	13,305
Total liabilities, deferred inflows of resources, and fund balance	\$ 679,209	\$ 273,098	\$ 3,525,152	\$ 13,305

The accompanying notes are an integral part of these financial statements.

Total Governmental Funds		
\$ 3,805,004	Amounts reported for governmental activities in the statement of net position are different because:	
4,450		
189,206	Total fund balance - governmental funds	\$ 3,960,134
7,121		
382,985	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	3,294,080
4,349		
97,649		
<u>\$ 4,490,764</u>	Some amounts reported for governmental activities in the statement of net position are different because certain internal service fund assets and liabilities are included with governmental activities	8,618
\$ 39,905		
103,391	Pension deferrals used in governmental activities are not financial resources and therefore are not reported as assets or liabilities in governmental funds.	(39,344)
4,349		
147,645		
382,985	Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(4,491)
382,985	Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(2,550,064)
20,000	Net position of governmental activities	<u>\$ 4,668,933</u>
169,707		
3,525,152		
13,305		
231,970		
3,960,134		
<u>\$ 4,490,764</u>		

The accompanying notes are an integral part of these financial statements.

TOWN OF JULESBURG, COLORADO
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2022

	General Fund	Capital Improvement Fund	Swimming Pool Fund	Other Governmental Fund
Revenues				
Taxes	\$ 418,500	\$ 196,673	\$ 259,047	
Licenses and permits	3,052			
Intergovernmental	99,230			\$ 16,754
Charges for services	40,551			
Miscellaneous	56,308	1,270	1,002,473	283
Total revenues	617,641	197,943	1,261,520	17,037
Expenditures				
Current				
General government	168,521			
Public safety	58,506			
Public works	383,926			
Culture and recreation	325,706			100,000
Capital outlay		147,286	12,615	
Debt service				
Principal retirement			105,000	
Interest and fiscal charges			40,000	
Debt issuance costs			79,467	
Total expenditures	936,659	147,286	237,082	100,000
Excess of revenues over (under) expenditures	(319,018)	50,657	1,024,438	(82,963)
Other financing sources (uses)				
Proceeds from long-term debt			2,500,000	
Transfers in			714	
Transfers out	(714)			
Total other financing sources (uses)	(714)	-	2,500,714	-
Net change in fund balance	(319,732)	50,657	3,525,152	(82,963)
Fund balance at beginning of year	571,702	119,050	-	96,268
Fund balance at end of year	\$ 251,970	\$ 169,707	\$ 3,525,152	\$ 13,305

The accompanying notes are an integral part of these financial statements.

Total Governmental Funds		
\$ 874,220	Amounts reported for governmental activities in the statement	
3,052	of activities are different because:	
115,984	Net change in fund balances - governmental funds	\$ 3,173,114
40,551		
1,060,334	Capital outlays to purchase or build capital assets are	
	reported in governmental funds as expenditures. However,	
2,094,141	for governmental activities, those costs are shown in the	
	statement of net position and allocated over their estimated	
	useful lives as annual depreciation expense in the statement	
	of activities. This is the amount by which capital outlays	
168,521	exceeded depreciation in the current period.	308,002
58,506		
383,926	In the statement of activities, certain operating expenses are	
425,706	measured by the amount incurred during the year. In the	
159,901	governmental funds, however, expenditures for these items	
	are measured by the amount of financial resources used	
105,000	(essentially, the amounts actually paid).	13,103
40,000		
79,467	The long-term debt proceeds are reported as revenue in the	
	governmental funds, however, they are reported as a long-	
1,421,027	term liability in the statement of activities.	(2,500,000)
673,114	Repayment of principal on notes are expenditures in the	
	governmental funds, but the repayment reduces the long-	
	term debt liability in the statement of net position.	105,000
2,500,000		
714	Change in net position of governmental activities	\$ 1,099,219
(714)		
2,500,000		
3,173,114		
787,020		
\$ 3,960,134		

The accompanying notes are an integral part of these financial statements.

TOWN OF JULESBURG, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2022

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund
Assets				
Current assets				
Cash	\$ 150	\$ 655,781	\$ 182,767	\$ 185,001
Certificate of deposits	576,982	119,344	428,381	
Due from other funds		305,075		
Accounts receivable	148,320	36,362	47,988	31,125
Inventories	49,971	33,922	852	7,520
Total current assets	775,423	1,150,484	659,988	223,646
Noncurrent assets				
Land and improvements		23,250		
Construction in progress			404,103	
Buildings and improvements	241,356	136,868		24,377
Machinery and equipment	173,225	93,087	46,896	522,045
Furniture and fixtures	62			
Systems	1,898,219	3,889,287	3,340,681	
Accumulated depreciation	(1,520,517)	(2,235,996)	(1,421,634)	(202,269)
Restricted cash		42,016		
Total noncurrent assets	792,345	1,948,512	2,370,046	344,153
Total assets	\$ 1,567,768	\$ 3,098,996	\$ 3,030,034	\$ 567,799

The accompanying notes are an integral part of these financial statements.

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 1,023,699	\$ 181,354
1,124,707	
305,075	
263,795	
92,265	
<u>2,809,541</u>	<u>181,354</u>
23,250	
404,103	
402,601	
835,253	558,951
62	
9,128,187	
(5,380,416)	(385,074)
42,016	
<u>5,455,056</u>	<u>173,877</u>
<u>\$ 8,264,597</u>	<u>\$ 355,231</u>

(continued)

TOWN OF JULESBURG, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2022

(continued)

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund
Liabilities				
Current liabilities				
Accounts payable	\$ 98,152	\$ 8,805	\$ 5,731	\$ 10,395
Due to other funds	205,075			
Unearned revenue		21,027		
Unearned grant revenue			289,555	
Accrued interest payable		8,550		
Current portion of notes payable		17,000		
Total current liabilities	303,227	55,382	295,286	10,395
Noncurrent liabilities				
Accrued compensated absences	10,504	5,503	10,882	6,870
Notes payable		439,000		
Total noncurrent liabilities	10,504	444,503	10,882	6,870
Total liabilities	313,731	499,885	306,168	17,265
Net position				
Net investment in capital assets	792,345	1,450,496	2,370,046	344,153
Restricted for note reserve		42,016		
Unrestricted	461,692	1,106,599	353,820	206,381
Total net position	1,254,037	2,599,111	2,723,866	550,534
Total liabilities and net position	\$ 1,567,768	\$ 3,098,996	\$ 3,030,034	\$ 567,799

The accompanying notes are an integral part of these financial statements.

Total	Governmental Activities - Internal Service Funds	
\$ 123,083 205,075 21,027 289,555 8,550 17,000	\$ 3,730	Total net position - enterprise funds \$ 7,127,548
664,290	3,730	Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities. 342,883
33,759 439,000		Net position of business-type activities <u>\$ 7,470,431</u>
472,759	-	
1,137,049	3,730	
4,957,040 42,016 2,128,492	173,877 177,624	
7,127,548	351,501	
<u>\$ 8,264,597</u>	<u>\$ 355,231</u>	

TOWN OF JULESBURG, COLORADO
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2022

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund
Operating revenues				
Charges for services	\$ 1,288,786	\$ 468,590	\$ 364,168	\$ 227,695
Operating expenses				
Systems operation	1,156,393	240,130	177,914	185,268
Administrative and general	140,120	97,375	40,067	29,327
Depreciation and amortization	34,244	70,498	67,178	19,309
Total operating expenses	1,330,757	408,003	285,159	233,904
Operating income (loss)	(41,971)	60,587	79,009	(6,209)
Nonoperating revenues (expenses)				
Interest on investments	1,209	4,483	909	
Water tower lease		68,815		
Miscellaneous revenue	15,378	2,617		
Interest and fiscal charges		(20,773)	(1,330)	
Total nonoperating revenues (expenses)	16,587	55,142	(421)	-
Income (loss) before transfers	(25,384)	115,729	78,588	(6,209)
Transfers in		65,000		
Transfers out	(53,000)			(12,000)
Change in net position	(78,384)	180,729	78,588	(18,209)
Net position at beginning of year	1,332,421	2,418,382	2,645,278	568,743
Net position at end of year	\$ 1,254,037	\$ 2,599,111	\$ 2,723,866	\$ 550,534

The accompanying notes are an integral part of these financial statements.

Total	Governmental Activities - Internal Service Funds	
\$ 2,349,239	\$ 60,000	Net change in net position - enterprise funds \$ 162,724
1,759,705		Some amounts reported for business-type activities in the statement of activities are different because the net revenue of the internal service fund is reported with business-type activities.
306,889		
191,229	31,423	
2,257,823	31,423	
91,416	28,577	Change in net position of business-type activities \$ 192,421
6,601	1,120	
68,815		
17,995		
(22,103)		29,697
71,308	1,120	
162,724	29,697	
65,000		
(65,000)		
162,724	29,697	
6,964,824	321,804	
\$ 7,127,548	\$ 351,501	

TOWN OF JULESBURG, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund
Cash flows from operating activities				
Receipts from customers	\$ 1,287,692	\$ 465,665	\$ 357,253	\$ 222,678
Receipts from (payments to) other funds	113,998	(205,075)	(18,867)	
Payments to suppliers	(1,136,484)	(280,245)	(160,089)	(142,215)
Payments to employees	(133,799)	(101,115)	(66,269)	(68,349)
Net cash provided (used) by operating activities	131,407	(120,770)	112,028	12,114
Cash flows from noncapital financing activities				
Transfers from other funds		65,000		
Transfers to other funds	(53,000)			(12,000)
Miscellaneous receipts	15,378	72,192		
Net cash provided (used) by noncapital financing activities	(37,622)	137,192	-	(12,000)
Cash flows from capital and related financing activities				
Purchase of capital assets	(93,785)	(48,468)	(15,221)	(18,490)
Grant receipts			144,778	
Principal paid on capital debt		(16,500)	(57,099)	
Interest and fiscal charges		(21,082)	(1,719)	
Net cash provided (used) by capital and related financing activities	(93,785)	(86,050)	70,739	(18,490)
Cash flows from investing activities				
Earnings on investments		4,230		
Net cash provided by investing activities	-	4,230	-	-
Net increase (decrease) in cash	-	(65,398)	182,767	(18,376)
Cash at beginning of year	150	763,195	-	203,377
Cash at end of year	\$ 150	\$ 697,797	\$ 182,767	\$ 185,001

The accompanying notes are an integral part of these financial statements.

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 2,333,288	\$ 60,000
(109,944)	
(1,719,033)	
(369,532)	
<u>134,779</u>	<u>60,000</u>
65,000	
(65,000)	
87,570	
<u>87,570</u>	<u>-</u>
(175,964)	(34,249)
144,778	
(73,599)	
(22,801)	
<u>(127,586)</u>	<u>(34,249)</u>
4,230	1,120
<u>4,230</u>	<u>1,120</u>
98,993	26,871
966,722	154,483
<u>\$ 1,065,715</u>	<u>\$ 181,354</u>

(continued)

TOWN OF JULESBURG, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

(continued)

	Business-type Activities Enterprise Funds			
	Electric Fund	Water Fund	Sewer Fund	Sanitation Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (41,971)	\$ 60,587	\$ 79,009	\$ (6,209)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation and amortization	34,244	70,498	67,178	19,309
Changes in assets and liabilities				
Receivables	(1,094)	(2,925)	(6,915)	(5,017)
Interfund items	113,998	(205,075)	(18,867)	
Inventory	17,216	2,571	207	(2,860)
Accounts payable	5,325	(49,182)	(11,525)	1,151
Compensated absences	3,689	2,756	2,941	5,740
Net cash provided (used) by operating activities	<u>\$ 131,407</u>	<u>\$ (120,770)</u>	<u>\$ 112,028</u>	<u>\$ 12,114</u>
Cash consists of:				
Cash	\$ 150	\$ 655,781	\$ 182,767	\$ 185,001
Restricted cash		42,016		
Total	<u>\$ 150</u>	<u>\$ 697,797</u>	<u>\$ 182,767</u>	<u>\$ 185,001</u>

The accompanying notes are an integral part of these financial statements.

<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 91,416	\$ 28,577
191,229	31,423
(15,951)	
(109,944)	
17,134	
(54,231)	
15,126	
<u>\$ 134,779</u>	<u>\$ 60,000</u>
\$ 1,023,699	\$ 181,354
42,016	
<u>\$ 1,065,715</u>	<u>\$ 181,354</u>

TOWN OF JULESBURG, COLORADO
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2022

	Pension (and Other Employee Benefit) Trust Funds
Assets	
Cash	\$ 18,820
Certificate of deposit	<u>19,044</u>
Total assets	<u><u>\$ 37,864</u></u>
Net position	
Restricted for pensions	<u>\$ 37,864</u>
Total net position	<u><u>\$ 37,864</u></u>

The accompanying notes are an integral part of these financial statements.

TOWN OF JULESBURG, COLORADO
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2022

	Pension (and Other Employee Benefit) Trust Funds
Additions	
Contributions	
Rural	\$ 5,075
Town	3,500
State	3,150
Total contributions	11,725
Investment income	
Interest on investments	133
Total additions	11,858
Deductions	
Pension benefits	10,102
Total deductions	10,102
Change in net position	1,756
Net position at beginning of year	36,108
Net position at end of year	\$ 37,864

The accompanying notes are an integral part of these financial statements.

TOWN OF JULESBURG
Notes to Financial Statements

Note A – Summary of significant accounting policies

This summary of the Town of Julesburg’s significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the Town’s accounting policies are described below.

A.1 – Reporting entity

The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The reporting entity’s financial statements should present the funds of the primary government (including its blended component units, which are, in substance, part of the primary government) and provide an overview of the discretely presented component units.

The Town has examined other entities that could be included as defined in number 2 and 3 above. Based on these criteria, the Town has no component units.

A.2 – Fund accounting

The Town uses funds to report its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate “fund types.”

TOWN OF JULESBURG
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds), major capital projects (capital projects fund), and the servicing of general long-term debt (debt service fund). The following are the Town's major governmental funds:

General Fund – The General Fund is the operating fund of the Town. It is used to account for most of the day-to-day operations of the Town which are financed from sales and use taxes, property taxes and other general revenues. Activities financed by the general fund include those of line and staff departments within the Town, except for activities of the enterprise funds.

Capital Improvement Fund – This fund is a special revenue fund established to account for funds received from a Town imposed sales tax and capital expenditures made from those funds.

Swimming Pool Fund – This fund is a special revenue fund established to account for funds received from a voter approved sales tax, donations and long-term debt proceeds for the purpose of swimming pool improvements.

The following is the Town's nonmajor governmental fund:

Conservation Trust Fund – This fund is a special revenue fund established to account for state lottery proceeds and allowable expenditures.

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as either enterprise or internal service. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the Town's major proprietary funds:

Electric Fund – This fund was established to account for all operations of the electric utility services provided by the Town.

Water Fund – This fund was established to account for all operations of the water utility services provided by the Town.

Sewer Fund – This fund was established to account for all operations of the sewer utility services provided by the Town.

Sanitation Fund – This fund was established to account for all operations of the sanitation utility services provided by the Town.

TOWN OF JULESBURG
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Fiduciary funds focus on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the Town under a trust agreement for individuals, private organizations or other governments and are therefore not available to support the Town's own programs. The Town has one pension (and other employee benefit) trust fund.

Additionally, the Town reports the following fund type:

Internal Service Fund – This fund accounts for capital equipment management services provided to other departments or agencies of the Town on a cost-reimbursement basis.

Note A.3 – Basis of presentation

Government-wide financial statements – The statement of net position and the statement of activities display information about the Town as a whole. These statements include the financial activities of the primary government except for fiduciary funds. The statements distinguish between those activities of the Town that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with a brief explanation to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Town and for each function or program of the Town's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Town, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Town.

Fund financial statements – Fund financial statements report detailed information about the Town. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

TOWN OF JULESBURG
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources management focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balance, which reports the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the statement of net position. The statement of revenues, expenses and changes in fund net position presents increases (revenues) and decreases (expenses) in net total assets. The statement of cash flows provides information about how the Town finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds focus on net position and are reported using accounting principles similar to proprietary funds. The Town's fiduciary funds are presented in the fiduciary fund financial statements by fund type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address the activities or obligations of the Town, these funds are not incorporated into the government-wide financial statements.

A.4 – Basis of accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

Revenues – exchange and non-exchange transactions – Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Town, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the Town receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year

TOWN OF JULESBURG
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Town must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Town on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Unearned revenue – Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are received by the Town before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

Deferred outflows/inflows of resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Expenses/expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

A.5 – Encumbrances

Encumbrances outstanding at year-end are considered immaterial and thus are not reported as reservations of fund balance.

TOWN OF JULESBURG
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.6 – Cash and cash equivalents

For the purposes of the statement of cash flows, the Town considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

A.7 – Short-term interfund receivables/payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the government-wide statement of net position, and are classified as due from other funds or due to other funds on the balance sheet.

A.8 – Receivables

Monthly charges for water services are included with monthly utility billings. No allowance for doubtful accounts has been provided in the accompanying financial statements since substantially all accounts are deemed by management to be collectible.

A.9 – Inventories

Inventories consist of expendable supplies and are reported at cost or estimated cost.

A.10 – Capital assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund financial statements.

All capital assets with a unit cost greater than \$2,000 are capitalized at cost (or estimated historical cost, if actual cost is not available) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair value on the date received. Improvements to assets are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not. Infrastructure assets, consisting of certain improvements other than buildings (such as parking facilities, sidewalks, landscaping and lighting systems) are capitalized on a prospective basis beginning in 2004.

TOWN OF JULESBURG
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of borrowing until project completion with interest earned on invested proceeds over the same period. No interest was capitalized during the year.

All reported capital assets are depreciated with the exception of land costs. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Land and improvements	10 – 50 years	10 – 50 years
Buildings and improvements	10 – 75 years	20 – 75 years
Machinery and equipment	10 – 20 years	3 – 20 years
Furniture and fixtures	7 – 10 years	7 – 10 years
Systems	n/a	5 – 75 years

A.11 – Compensated absences

Vacation leave

Full-time employees after one full year of service are allowed from six to eighteen days annual paid vacation leave, depending on the length of continuous employment, and are allowed to accumulate up to twenty days of vacation leave. Vacation pay is a vested benefit.

Sick leave

Full-time employees receive twelve days sick leave each year and are allowed to accumulate up to sixty days of sick leave. Sick leave is a vested benefit at twenty-five percent of the accumulated leave.

A.12 – Accrued liabilities and long-term obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

TOWN OF JULESBURG
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, the noncurrent portion of compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. Bonds payable and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

A.13 – Net position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Town applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

A.14 – Operating revenues and expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Town, these revenues are service charges for electric, water, sewer and sanitation utility services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

A.15 – Interfund transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. In general, the effect of interfund activity has been eliminated from the government-wide financial statements.

TOWN OF JULESBURG
Notes to Financial Statements

Note A – Summary of significant accounting policies (Continued)

A.16 – Fund balance

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different type of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

Nonspendable, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),

Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation,

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Town Council (the Town's highest level of decision-making authority),

Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and

Unassigned fund balance is the residual classification for the Town's general fund and includes all spendable amounts not contained in the other classifications.

Committed fund balance is established by a formal passage of a resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the members of town council through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes).

When both restricted and unrestricted resources are available in governmental funds, the Town applies expenditures against restricted fund balance first, and followed by committed fund balance, assigned fund balance and unassigned fund balance.

TOWN OF JULESBURG
Notes to Financial Statements

Note B – Cash and deposits

Cash and deposits

Colorado State statutes govern the Town's deposit of cash. The Public Deposit Protection Acts (PDPA) for banks and savings and loans require state regulators to certify eligible depositories for public deposits. The PDPA require eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the United States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 102% of the aggregate uninsured deposits.

Custodial credit risk – deposits – Custodial risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of year-end, the Town had total deposits of \$6,629,545 of which \$260,446 was insured and \$6,369,099 was collateralized with securities held by the pledging institution's trust department or agent in the Town's name.

Investments

Authorized investments – Investment policies are governed by Colorado State Statutes and the Town's own investment policies and procedures. Investments of the Town may include:

- Obligations of the United States Government such as treasury bills, notes and bonds
- Certain international agency securities
- General obligation and revenue bonds of United States local government entities
- Bankers acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

At year-end, the Town did not have any investments.

TOWN OF JULESBURG
Notes to Financial Statements

Note C – Interfund transactions

The following is a summary of interfund borrowings and transfers for the year as presented in the fund financial statements:

<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Amount</u>
General Fund	Capital Improvement Fund	\$ 3,391
General Fund	Capital Replacement Fund	3,730
Water Fund	Electric Fund	205,075
Water Fund	Capital Improvement Fund	<u>100,000</u>
Totals		<u>\$ 312,196</u>

All balances resulted from the time lag between the dates that (1) interfund reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

<u>Transfers in</u>	<u>Transfers out</u>	<u>Amount</u>
Water Fund	Electric Fund	\$ 53,000
Water Fund	Sanitation Fund	12,000
Swimming Pool Fund	General Fund	<u>714</u>
Totals		<u>\$ 65,714</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. The Town transferred funds from the Electric Fund (\$53,000) and the Sanitation Fund (\$12,000) to the Water Fund to provide funds for water fund repair and maintenance costs. Additionally, the Town transferred \$714 from the General Fund to the Swimming Pool Fund, representing designated donations made in prior years held by the General Fund for the swimming pool renovation project.

Note D – Receivables

Receivables at year-end consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Receivables</u>
Property taxes	\$ 382,985	\$ -	\$ 382,985
Utility billings	-	263,795	263,795
Other taxes	97,649	-	97,649
Special assessments	<u>4,349</u>	<u>-</u>	<u>4,349</u>
Total	<u>\$ 484,983</u>	<u>\$ 263,795</u>	<u>\$ 748,778</u>

TOWN OF JULESBURG
Notes to Financial Statements

Note D – Receivables (Continued)

Property taxes are levied on December 15th and attach as a lien on property the following January 1st. They are payable in full by April 30th or are due in two equal installments on February 28th and June 15th. Sedgwick County bills and collects property taxes for all taxing entities within the County. The tax receipts collected by the county are remitted to the Town in the subsequent month.

Note E – Capital assets

Capital asset activity for the year was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 188,376	\$ -	\$ -	\$ 188,376
Construction in progress	<u>-</u>	<u>365,796</u>	<u>-</u>	<u>365,796</u>
Total capital assets, not being depreciated	188,376	365,796	-	554,172
Capital assets, being depreciated:				
Land improvements	2,686,686	17,935	-	2,704,621
Buildings and improvements	1,837,792	15,809	-	1,853,601
Equipment	<u>627,336</u>	<u>53,791</u>	<u>(6,781)</u>	<u>674,346</u>
Total capital assets, being depreciated	<u>5,151,814</u>	<u>87,535</u>	<u>(6,781)</u>	<u>5,232,568</u>
Total capital assets	5,340,190	453,331	-	5,786,740
Less accumulated depreciation for:				
Land improvements	(954,730)	(64,702)	-	(1,019,432)
Buildings and improvements	(848,861)	(65,501)	-	(914,362)
Equipment	<u>(550,521)</u>	<u>(15,126)</u>	<u>6,781</u>	<u>(558,866)</u>
Total accumulated depreciation	<u>(2,354,112)</u>	<u>(145,329)</u>	<u>6,781</u>	<u>(2,492,660)</u>
Governmental activities capital assets, net	<u>\$ 2,986,078</u>	<u>\$ 308,002</u>	<u>\$ -</u>	<u>\$ 3,294,080</u>

TOWN OF JULESBURG
Notes to Financial Statements

Note E – Capital assets (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 23,250	\$ -	\$ -	\$ 23,250
Construction in progress	<u>404,103</u>	<u>-</u>	<u>-</u>	<u>404,103</u>
Total capital assets, not being depreciated	427,353	-	-	427,353
Capital assets, being depreciated				
Buildings and improvements	368,699	33,902	-	402,601
Machinery and equipment	1,293,121	101,083	-	1,394,204
Furniture and fixtures	62	-	-	62
Systems	<u>9,052,959</u>	<u>75,228</u>	<u>-</u>	<u>9,128,187</u>
Total capital assets, being depreciated	<u>10,714,841</u>	<u>210,213</u>	<u>-</u>	<u>10,925,054</u>
Total capital assets	11,142,194	210,213	-	11,352,407
Less accumulated depreciation for:				
Buildings and improvements	(221,598)	(7,562)	-	(229,160)
Machinery and equipment	(757,688)	(53,873)	-	(811,561)
Furniture and fixtures	(62)	-	-	(62)
Systems	<u>(4,563,490)</u>	<u>(161,217)</u>	<u>-</u>	<u>(4,724,707)</u>
Total accumulated depreciation	<u>(5,542,838)</u>	<u>(222,652)</u>	<u>-</u>	<u>(5,765,490)</u>
Business-type activities capital assets, net	<u>\$ 5,599,356</u>	<u>\$ (12,439)</u>	<u>\$ -</u>	<u>\$ 5,586,917</u>

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities

General government	\$ 12,501
Public safety	29,002
Public works	61,037
Culture and recreation	<u>42,789</u>
Total governmental activities	145,329

TOWN OF JULESBURG
Notes to Financial Statements

Note E – Capital assets (Continued)

Business-type activities

Electric	34,244
Water	70,498
Sewer	67,178
Sanitation	19,309

In addition, depreciation on capital assets held by the Town's internal service fund is charged to the various functions based on the percentage of contribution to the fund. 31,423

Total business-type activities 222,652

Total depreciation expense \$ 367,981

Note F – Long-term debt

The following is a summary of the changes in long-term debt for the year:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>	<u>Due within one year</u>
Governmental activities					
Compensated absences	\$ 16,637	\$ -	\$ (9,796)*	\$ 6,841	\$ -
Notes from direct borrowings	<u>-</u>	<u>2,500,000</u>	<u>(105,000)</u>	<u>2,395,000</u>	<u>105,000</u>
Total	<u>\$ 16,637</u>	<u>\$ 2,500,000</u>	<u>\$ (114,796)</u>	<u>\$ 2,401,841</u>	<u>\$ 105,000</u>

Payments on the note are made in the Swimming Pool Fund.

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>	<u>Due within one year</u>
Business-type activities					
Compensated absences	\$ 18,633	\$ 15,126*	\$ -	\$ 33,759	\$ -
Notes from direct borrowings	<u>529,599</u>	<u>-</u>	<u>(73,599)</u>	<u>456,000</u>	<u>17,000</u>
Total	<u>\$ 548,232</u>	<u>\$ 15,126</u>	<u>\$ (73,599)</u>	<u>\$ 489,759</u>	<u>\$ 17,000</u>

*The change in the compensated absences liability is presented as a net change.

TOWN OF JULESBURG
Notes to Financial Statements

Note F – Long-term debt (Continued)

Notes payable

Notes payable at year-end consist of the following individual issues:

\$693,000 agreement with Rural Development to refinance an interim loan with the Colorado Water Resources and Power Development Authority, due in semi-annual installments ranging from \$6,898 to \$19,025, including interest, through 2040. \$ 456,000

\$2,500,000 agreement with Bank of the San Juans, Division of Glacier Bank, to finance the construction of a community swimming pool, due in annual installments ranging from \$105,000 to \$155,000, including interest, through 2041. The interest rate for the agreement is 2.250%. 2,395,000

Total \$ 2,851,000

The Town's outstanding note with Rural Development in the amount of \$456,000 is secured by a lien on the net revenues of the enterprise. This outstanding note contains (1) a provision that in an event of default as defined in the loan agreement the lender shall have the option to declare the entire principal amount then outstanding and accrued interest immediately due and payable, (2) incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (3) take possession of the facility, repair, maintain, and operate or rent it.

The Town's outstanding note with Bank of the San Juans, Division of Glacier Bank in the amount of \$2,395,000 is secured by the swimming pool under construction. The outstanding note contains a provision that in an event of default as defined in the loan agreement, the bank may (a) recover from the Town the portion of rent for which a specific appropriation or supplemental appropriation has been effected by the Board for such purpose, which would otherwise have been payable hereunder, (i) during any period in which the Town continues to occupy, use or possess the leased property or (ii) after the Town vacates and surrenders possession of the leased property (b) take whatever action at law or in equity may appear necessary or desirable to collect the rent then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Town under this lease. Notwithstanding the foregoing or any provision of this lease, the maximum amount of contractual payments or damages that the bank may recover from the Town under this lease is limited to the amount duly budgeted and appropriated by the Town for the payment of rent or any other obligations of the Town under this lease in the fiscal year in which the event of default occurs.

TOWN OF JULESBURG
Notes to Financial Statements

Note F – Long-term debt (Continued)

The following schedule represents the Town's debt service requirements to maturity for the outstanding long-term debt at year-end:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	Notes from		Notes from	
	<u>Direct Borrowings</u>		<u>Direct Borrowings</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 105,000	\$ 53,887	\$ 17,000	\$ 20,329
2024	105,000	51,525	18,000	19,553
2025	105,000	49,163	19,000	18,731
2026	110,000	46,800	19,500	17,876
2027	110,000	44,325	20,500	16,987
2028-2032	595,000	183,038	117,500	70,031
2033-2037	670,000	112,725	146,500	40,804
2038-2041	595,000	33,862	98,000	7,470
Totals	<u>\$ 2,395,000</u>	<u>\$ 575,325</u>	<u>\$ 456,000</u>	<u>\$ 211,781</u>

Note G – Risk management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town has affiliated with the Colorado Intergovernmental Risk Sharing Agency (CIRSA) to provide protection against losses incurred related to property, casualty, general liability and workers compensation claims. CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of the Colorado Revised Statutes and the Colorado Constitution. The purposes of CIRSA are to provide members defined liability, property and workers compensation coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees, or officers. The Town makes an annual contribution to CIRSA for its insurance coverage. For the year, the Town's financial contribution to CIRSA was \$84,602. Contingent liability claims for the coverage have not been recognized to date after reviewing claim history and the remoteness of potential loss in excess of actual contributions by the Town. Settled claims resulting from these risks have not exceeded commercial insurance coverage or the deductible in any of the past three years. There has been no significant reduction in insurance coverage from the prior year in any of the major categories of risk.

TOWN OF JULESBURG
Notes to Financial Statements

Note H – Pension plans

Town of Julesburg Volunteer Fire Pension Plan

Summary of significant accounting policies

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town of Julesburg Volunteer Fire Pension Plan and additions to/deductions from Town of Julesburg Volunteer Fire Pension Plan's net position have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General information about the pension plan

Plan description. The Town's defined benefit pension plan, Town of Julesburg Volunteer Fire Pension Plan, provides retirement and death benefits to plan members and beneficiaries for volunteer firefighters. The plan is a single-employer pension plan administered by the Pension Board. The Pension Board has the authority to establish and amend the benefit provisions of the plan.

Management of the Town of Julesburg Volunteer Fire Pension Plan is vested in the local Pension Board, which consists of the Town Mayor, a rural fire department board member, and three representatives of the local fire department serving the Town.

Plan membership. At year-end, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	15
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>19</u>
Total	<u><u>34</u></u>

Benefits provided. The Town of Julesburg Volunteer Fire Department Pension Plan provides retirement and death benefits. Any firefighter who has both reached the age of 50 and completed 20 years of active service shall be eligible for a quarterly pension (currently \$147 per quarter). The plan also provides for a lump-sum burial benefit of \$147 upon death of an active firefighter.

TOWN OF JULESBURG
Notes to Financial Statements

Note H – Pension plans (Continued)

Contributions. Contribution requirements of the Town are established by the local Pension Board. The plan is noncontributory regarding participants. Contributions to the plan for the year ended December 31, 2022 included \$3,500 from the Town, \$5,075 from the Julesburg Fire Protection District, and \$3,150 from the State of Colorado matching funds.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022 the Town reported a net pension liability of \$148,223. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022.

For the year ended December 31, 2022, the Town recognized pension expense of (\$4,298). At December 31, 2022, the Town reported deferred outflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual investment earnings	\$ 2,776	\$ -
Changes in assumptions and other inputs		36,110
Difference between expected and actual experience	7,813	17,323
Contributions subsequent to measurement date	<u>3,500</u>	<u>-</u>
Totals	<u>\$ 14,089</u>	<u>\$ 53,433</u>

\$3,500 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

TOWN OF JULESBURG
Notes to Financial Statements

Note H – Pension plans (Continued)

<u>Year Ended</u> <u>December 31, __</u>	<u>Amount</u>
2023	\$ (6,450)
2024	(6,511)
2025	(7,029)
2026	(7,232)
2027	(5,469)
Thereafter	<u>(10,153)</u>
Totals	<u>\$ (42,844)</u>

Actuarial assumptions. The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age actuarial
Amortization method	Level dollar, open
Remaining amortization period	40 years
Asset valuation method	Market value
Inflation	2.75%
Salary increases	N/A
Investment rate of return	1.75% (net of expenses paid from the fund)
Retirement age	Age 50 and 20 years of service

Mortality rates were based on the Modified 1994 Group Annuity Mortality table for males.

The long-term expected rate of return on pension plan investments was determined using a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense). These amounts are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the asset allocation percentage. Best estimates of arithmetic real rates of return for the Town's current holdings of cash and certificates of deposit included in the Plan's assets as of December 31, 2021 are summarized in the above table.

Discount rate. The discount rate used to measure the total pension liability was 4.50 percent. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current and inactive volunteers. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF JULESBURG
Notes to Financial Statements

Note H – Pension plans (Continued)

Changes in the net pension liability/(asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Position (b)	Net Pension Liability (a)-(b)
Balances at beginning of year	\$ 200,608	\$ 33,968	\$ 166,640
Changes for the year			
Service cost	3,135	-	3,135
Interest on total pension liability	8,696	-	8,696
Benefit changes	(4,446)	-	(4,446)
Difference between expected and actual experience	-	-	-
Changes of assumptions	(13,962)	-	(13,962)
Contributions – employer	-	3,500	(3,500)
Contributions – state of Colorado	-	3,150	(3,150)
Contributions – Volunteer Fire Protection District	-	5,075	(5,075)
Net investment income	-	115	(115)
Benefit payments	(9,700)	(9,700)	-
Administrative expenses	-	-	-
Net changes	<u>(16,277)</u>	<u>2,140</u>	<u>(18,417)</u>
Balances at end of year	<u>\$ 184,331</u>	<u>\$ 36,108</u>	<u>\$ 148,223</u>

Sensitivity of the Town's net pension liability to changes in the discount rate. The following presents the Town's net pension liability calculated using the discount rate of 4.50 percent, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.50 percent) or 1-percentage point higher (5.50 percent) than the current rate:

	1% Decrease (3.50%)	Current Discount (4.50%)	1% Increase (5.50%)
Net pension liability	<u>\$ 170,876</u>	<u>\$ 148,223</u>	<u>\$ 129,508</u>

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Town of Julesburg Fireman Pension Fund financial report.

Payables to the pension plan

The Town did not report any payables to the pension plan at year-end.

TOWN OF JULESBURG
Notes to Financial Statements

Note H – Pension plans (Continued)

Defined Contribution Plan

The Town contributes to the Colorado County Officials and Employees Retirement Plan (the Plan), a defined contribution plan administered by the Colorado County Officials and Employees Retirement Association (CCOERA).

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the Town Council. The Town's contribution is a minimum of 3 percent of covered salary, but may be increased beyond this amount. All eligible employees are required to contribute an amount equal to the contribution by the Town. For the year employee contributions totaled \$38,361, and the Town recognized pension expense of \$10,760.

Employees are immediately vested in their own contributions, Town contributions, and earnings on those contributions.

Note I – Deferred compensation plan

The Town has a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. This plan is administered and held in trust by an independent plan administrator through an administrative service agreement. Employees defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death or financial hardship.

Amendments to the laws governing Section 457 deferred compensation plans substantially became effective January 1, 1997 as the Town transferred the assets to the Colorado County Officials and Employees Retirement Association (CCOERA) Deferred Compensation Trust. These assets are held in trust for the exclusive benefit of the plan participants and their beneficiaries. The assets will not be diverted for any other purpose.

Note J – Commitments and contingencies

State and federal funding

The Town receives revenues from various state and federal grant programs which are subject to final review and approval by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

TOWN OF JULESBURG
Notes to Financial Statements

Note J – Commitments and contingencies (Continued)

TABOR Amendment

In November 1992, Colorado voters passed an amendment, commonly known as the Taxpayer's Bill of Rights (TABOR), to the State Constitution (Article X, Section 20) which limits the revenue raising and spending abilities of state and local governments. The limits on property taxes, revenue, and "fiscal year spending" include allowable annual increases tied to inflation and local growth. Fiscal year spending as defined by the amendment excludes spending from certain revenue and financing sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves (balances). The amendment requires voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue earned in excess of the "spending limit" must be refunded or approved to be retained by the Town under specified voting requirements by the entire electorate. In November 1996, the voters of the Town approved a ballot initiative permitting the Town to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatsoever, without limitation, in this fiscal year and all subsequent fiscal years notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution. TABOR is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of TABOR. However, the Town has made certain interpretations of TABOR's language in order to determine its compliance. The Town has reserved funds in the General Fund in the amount of \$20,000 for the emergency reserve.

Colorado local government budget laws

Expenditures in the Electric, Sanitation, Swimming Pool, Conservation Trust and Capital Replacement Funds exceeded their appropriations by \$76,889, \$24,271, \$237,082, \$83,000 and \$14,249, respectively, and may be in violation of local government budget laws.

This page intentionally left blank.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Changes in the Town's Net Pension Liability/(Asset) and Related Ratios – Town of Julesburg Volunteer Fire Pension Plan
- Schedule of Town Contributions – Town of Julesburg Volunteer Fire Pension Plan
- Schedule of Investment Return – Town of Julesburg Volunteer Fire Pension Plan
- Budgetary Comparison Schedule – General Fund
- Budgetary Comparison Schedule – Capital Improvement Fund
- Budgetary Comparison Schedule – Swimming Pool Fund

TOWN OF JULESBURG, COLORADO**Schedule of Changes in the Town's Net Pension Liability/(Asset) and Related Ratios ¹****Town of Julesburg Volunteer Fire Pension Plan****Last 10 Fiscal Years**

	2022	2021	2020
Total pension liability			
Service cost	\$ 3,135	\$ 3,285	\$ 3,499
Interest on the total pension liability	8,696	8,411	8,530
Benefit changes	(4,446)	-	-
Differences between expected and actual experience	-	-	-
Assumption changes	(13,962)	8,790	(5,023)
Benefit payments	(9,700)	(9,350)	(9,600)
Net change in total pension liability	(16,277)	11,136	(2,594)
Total pension liability - beginning	200,608	189,472	192,066
Total pension liability - ending (a)	<u>\$ 184,331</u>	<u>\$ 200,608</u>	<u>\$ 189,472</u>
Plan fiduciary net position			
Employer contributions	\$ 3,500	\$ 3,500	\$ 3,500
Volunteer Fire Protection District contribution	5,075	5,075	5,075
Pension plan net investment income	115	330	(1,293)
Benefit payments	(9,700)	(9,350)	(9,600)
Pension plan administrative expenses	-	-	-
State of Colorado matching funds	3,150	3,150	3,150
Net change in plan fiduciary net position	2,140	2,705	832
Plan fiduciary net position - beginning	33,968	31,263	30,431
Plan fiduciary net position - ending (b)	<u>\$ 36,108</u>	<u>\$ 33,968</u>	<u>\$ 31,263</u>
Town's net pension liability/(asset) - ending (a) - (b)	<u>\$ 148,223</u>	<u>\$ 166,640</u>	<u>\$ 158,209</u>
Plan fiduciary net position as a percentage of the total pension liability	19.59%	16.93%	16.50%
Covered payroll	N/A	N/A	N/A
Town's net pension liability as a percentage of covered payroll	N/A	N/A	N/A

* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

¹ Until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

2019	2018	2017	2016	2015
\$ 5,195	\$ 5,529	\$ 5,858	\$ 6,019	\$ 5,898
4,993	5,000	4,931	4,888	4,790
-	-	-	-	-
-	(4,892)	2,556	6,056	5,934
(58,887)	-	-	-	-
(9,900)	(9,900)	(9,900)	(9,900)	(8,640)
(58,599)	(4,263)	3,445	7,063	7,982
250,665	254,928	251,483	244,420	236,438
<u>\$ 192,066</u>	<u>\$ 250,665</u>	<u>\$ 254,928</u>	<u>\$ 251,483</u>	<u>\$ 244,420</u>
\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
3,500	5,075	3,500	3,500	3,500
224	154	113	103	97
(9,900)	(9,900)	(9,900)	(9,900)	(8,640)
-	-	-	-	-
4,800	3,150	3,150	3,150	3,150
2,124	1,979	363	353	1,607
28,307	26,328	25,965	25,612	24,005
<u>\$ 30,431</u>	<u>\$ 28,307</u>	<u>\$ 26,328</u>	<u>\$ 25,965</u>	<u>\$ 25,612</u>
<u>\$ 161,635</u>	<u>\$ 222,358</u>	<u>\$ 228,600</u>	<u>\$ 225,518</u>	<u>\$ 218,808</u>
15.84%	11.29%	10.33%	10.32%	10.48%
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A

TOWN OF JULESBURG, COLORADO
Schedule of Town Contributions ¹
Town of Julesburg Volunteer Fire Pension Plan
Last 10 Fiscal Years

Fiscal Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution *	Contribution Deficiency (Excess)	Covered Payroll	Actuarial Contribution as a % of Covered Payroll
(a)	(b)	(c)	(d) = (b) - (c)	(e)	(f)
2022	\$ 10,845	\$ 11,725	\$ (880)	N/A	N/A
2021	\$ 12,925	\$ 11,725	\$ 1,200	N/A	N/A
2020	\$ 12,579	\$ 11,725	\$ 854	N/A	N/A
2019	\$ 12,995	\$ 11,725	\$ 1,270	N/A	N/A
2018	\$ 18,450	\$ 10,150	\$ 8,300	N/A	N/A
2017	\$ 19,020	\$ 11,725	\$ 7,295	N/A	N/A
2016	\$ 19,020	\$ 10,150	\$ 8,870	N/A	N/A
2015	\$ 19,020	\$ 10,150	\$ 8,870	N/A	N/A
2014	\$ 19,020	\$ 10,150	\$ 8,870	N/A	N/A

* Includes employer, district and State of Colorado matching funds.

¹ Until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

This page intentionally left blank.

TOWN OF JULESBURG, COLORADO
Schedule of Investment Returns ¹
Town of Julesburg Volunteer Fire Pension Plan
Last 10 Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Annual money-weighted rate of return, net of investment expense	0.36%	1.11%	-4.49%	0.84%

¹ Until a full 10-year trend is compiled, the Town will present information for those years for which information is available.

2018	2017	2016	2015	2014
0.63%	-1.63%	0.42%	0.42%	0.41%

TOWN OF JULESBURG, COLORADO
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Taxes	\$ 414,878	\$ 414,878	\$ 418,500	\$ 3,622
Licenses and permits	9,746	9,746	3,052	(6,694)
Intergovernmental revenue	169,567	169,567	99,230	(70,337)
Charges for services	47,500	47,500	40,551	(6,949)
Fines and forfeitures	500	500		(500)
Miscellaneous revenue	30,708	30,708	56,308	25,600
Total revenues	672,899	672,899	617,641	(55,258)
Expenditures				
Current				
General government	167,533	167,533	168,521	(988)
Public safety	116,801	116,801	58,506	58,295
Public works	418,494	418,494	383,926	34,568
Culture and recreation	308,730	308,730	325,706	(16,976)
Total expenditures	1,011,558	1,011,558	936,659	74,899
Excess of revenues over (under) expenditures	(338,659)	(338,659)	(319,018)	19,641
Other financing uses				
Transfers out			(714)	(714)
Net change in fund balance	\$ (338,659)	\$ (338,659)	(319,732)	\$ 18,927
Fund balance at beginning of year			571,702	
Fund balance at end of year			\$ 251,970	

TOWN OF JULESBURG, COLORADO
Capital Improvement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Taxes				
Sales taxes	\$ 180,000	\$ 180,000	\$ 196,673	\$ 16,673
Miscellaneous				
Interest on investments	500	500	1,270	770
Total revenues	180,500	180,500	197,943	17,443
Expenditures				
Capital outlay	180,000	180,000	147,286	32,714
Total expenditures	180,000	180,000	147,286	32,714
Excess of revenues over (under) expenditures	\$ 500	\$ 500	50,657	\$ 50,157
Fund balance at beginning of year			119,050	
Fund balance at end of year			\$ 169,707	

TOWN OF JULESBURG, COLORADO
Swimming Pool Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Taxes				
Sales taxes	\$ 170,000	\$ 170,000	\$ 259,047	\$ 89,047
Miscellaneous				
Interest on investments	500	500	518	18
Donations			1,001,955	1,001,955
Total revenues	170,500	170,500	1,261,520	1,091,020
Expenditures				
Capital outlay			12,615	(12,615)
Debt service				
Principal retirement			105,000	(105,000)
Interest and fiscal charges			40,000	(40,000)
Debt issuance costs			79,467	(79,467)
Total expenditures	-	-	237,082	(237,082)
Excess of revenues over expenditures	170,500	170,500	1,024,438	853,938
Other financing sources				
Proceeds from long-term debt			2,500,000	2,500,000
Transfers in			714	714
Total other financing sources	-	-	2,500,714	2,500,714
Net change in fund balance	\$ 170,500	\$ 170,500	3,525,152	\$ 3,354,652
Fund balance at beginning of year			-	
Fund balance at end of year			\$ 3,525,152	

TOWN OF JULESBURG, COLORADO
Notes to the Required Supplementary Information

Note A – Budgetary data

Annual budgets are established for all funds of the Town as required by state budget laws. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles except for the enterprise and internal service funds in which capital and principal retirement expenses are treated as operating expenses and depreciation expense is not budgeted.

An appropriated budget for the entity as a whole is prepared on a detailed basis. Revenues are budgeted by source. Expenditures are budgeted by department and the major divisions thereof and by each independent office and agency and by the principal objects of expenditure. The legal level of control is considered to be the entity as a whole and expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review and approval by Town council. Within these control levels, management may transfer appropriations without Town council approval. Revisions to the budget were made during the year.

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- On or before September 20th of each year, or in conformity with the general state law, the Town clerk submits to the Town council a budget which shall be a complete financial plan for the ensuing fiscal year.
- At the same time the budget is submitted, the Town manager shall also prepare an appropriation ordinance making a levy in mills upon all taxable property within the Town for the ensuing fiscal year.
- A public hearing on the budget shall be held by Town council two weeks after its submission. Notice of the time and place of said hearing shall be published within three days after the submission of the budget.
- Prior to December 15th, or in conformity with the general state law, the Town council shall adopt the budget and the tax levy ordinance.
- Any portion of any annual appropriation remaining unexpended and unencumbered at the close of the budget year shall be declared surplus and included in the budget for the ensuing year as those appropriations lapse at year-end.

This page intentionally left blank.

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – General Fund Revenues and Expenditures
- Budgetary Comparison Schedule – Nonmajor Governmental Fund
- Budgetary Comparison Schedules – Proprietary Funds
- Budgetary Comparison Schedule – Internal Service Fund
- Budgetary Comparison Schedule – Fiduciary Fund

This page intentionally left blank.

Budgetary Comparison Schedules – General Fund

The General Fund accounts for all transactions of the Town not required to be accounted for in other funds. This fund represents an accounting of the Town's ordinary operations financed primarily from tax dollars and intergovernmental aid. It is the most significant fund in relation to the Town's overall operations. The budgetary comparison schedules of revenues and expenditures are included to provide a greater level of detail to the reader of the financial statements.

TOWN OF JULESBURG, COLORADO
General Fund
Budgetary Comparison Schedule - Revenues
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Taxes				
Local property taxes	\$ 358,428	\$ 358,428	\$ 363,084	\$ 4,656
Delinquent taxes and interest	1,050	1,050	1,114	64
Specific ownership taxes	40,000	40,000	40,780	780
Franchise taxes	15,000	15,000	13,509	(1,491)
Severance taxes	400	400	13	(387)
Total taxes	414,878	414,878	418,500	3,622
Licenses and permits	9,746	9,746	3,052	(6,694)
Intergovernmental				
Highway users tax	124,600	124,600	57,963	(66,637)
Motor vehicle assessment	5,200	5,200	5,907	707
Road and bridge tax	33,367	33,367	28,798	(4,569)
Cigarette tax	1,400	1,400	1,062	(338)
ARPA library grant	5,000	5,000	5,500	500
Total intergovernmental	169,567	169,567	99,230	(70,337)
Charges for services				
General government	7,200	7,200	600	(6,600)
Airport	24,000	24,000	19,887	(4,113)
Recreation	9,000	9,000	14,361	5,361
Pool	5,500	5,500	4,222	(1,278)
Pool concession	1,800	1,800	1,481	(319)
Total charges for services	47,500	47,500	40,551	(6,949)
Fines and forfeitures	500	500		(500)
Miscellaneous revenues				
Interest on investments	4,000	4,000	5,268	1,268
Donations	100	100	7,520	7,420
Tower leases	5,808	5,808	6,010	202
Grants			13,085	13,085
Other	20,800	20,800	24,425	3,625
Total miscellaneous revenues	30,708	30,708	56,308	25,600
Total revenues	\$ 672,899	\$ 672,899	\$ 617,641	\$ (55,258)

This page intentionally left blank.

TOWN OF JULESBURG, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
General government				
Administrative salaries	\$ 30,450	\$ 30,450	\$ 32,348	\$ (1,898)
Legislative - town council	7,500	7,500	3,757	3,743
Employee benefits	11,308	11,308	11,353	(45)
Supplies	7,000	7,000	7,579	(579)
Professional services	27,300	27,300	25,822	1,478
Insurance and bonds	24,000	24,000	22,618	1,382
County treasurer's fees	7,400	7,400	7,386	14
Advertising and legal notices	3,000	3,000	3,373	(373)
Dues and subscriptions	1,900	1,900	1,195	705
Office cleaning	540	540	538	2
Repairs and maintenance	3,000	3,000	8,351	(5,351)
Public utilities	3,400	3,400	1,960	1,440
Economic development	8,500	8,500	3,377	5,123
Miscellaneous	32,235	32,235	19,961	12,274
Capital outlay			18,903	(18,903)
Total general government	167,533	167,533	168,521	(988)
Public safety				
Police				
Salaries	1,200	1,200	700	500
Employee benefits	92	92	53	39
Miscellaneous	625	625	97	528
Law enforcement	57,000	57,000	14,400	42,600
Total police	58,917	58,917	15,250	43,667
Fire				
Salaries	2,400	2,400	2,400	-
Employee benefits	3,684	3,684	3,684	-
Supplies	4,800	4,800	3,106	1,694
Repairs and maintenance	6,100	6,100	4,067	2,033
Professional services	4,000	4,000	4,000	-
Public utilities	5,700	5,700	9,162	(3,462)
Fuel and oil	2,500	2,500	1,959	541
Miscellaneous	14,700	14,700	10,717	3,983
Capital outlay	14,000	14,000	4,161	9,839
Total fire	57,884	57,884	43,256	14,628
Total public safety	116,801	116,801	58,506	58,295

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Public works				
Streets and highways				
Salaries	40,500	40,500	45,357	(4,857)
Employee benefits	27,994	27,994	22,017	5,977
Supplies	3,800	3,800	6,203	(2,403)
Street maintenance	20,000	20,000	15,283	4,717
Crack filler	12,000	12,000	4,392	7,608
Public utilities	3,500	3,500	4,060	(560)
Equipment maintenance	10,000	10,000	19,108	(9,108)
Curb and gutter	30,000	30,000		30,000
Fuel and oil	9,800	9,800	7,028	2,772
Street lighting	32,000	32,000	30,618	1,382
Miscellaneous	7,900	7,900	2,879	5,021
Capital outlay	200,000	200,000	214,748	(14,748)
Total streets and highways	397,494	397,494	371,693	25,801
Sanitation				
Weed and pest control	8,000	8,000	1,264	6,736
Airport				
Repairs and maintenance	5,000	5,000	3,203	1,797
Insurance and bonds	4,500	4,500	3,950	550
Public utilities	3,500	3,500	3,816	(316)
Total airport	13,000	13,000	10,969	2,031
Total public works	418,494	418,494	383,926	34,568
Culture and recreation				
Library				
Salaries	38,000	38,000	38,172	(172)
Employee benefits	24,270	24,270	25,922	(1,652)
Supplies	5,000	5,000	21,318	(16,318)
Repairs and maintenance	10,000	10,000	10,515	(515)
Public utilities	6,180	6,180	7,020	(840)
Office cleaning	1,320	1,320	1,320	-
Insurance and bonds	500	500	500	-
Miscellaneous	5,000	5,000	3,765	1,235
Total library	90,270	90,270	108,532	(18,262)

(continued)

TOWN OF JULESBURG, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2022

(continued)

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Parks				
Salaries	47,700	47,700	43,709	3,991
Employee benefits	24,395	24,395	25,773	(1,378)
Supplies	6,400	6,400	3,609	2,791
Public utilities	2,700	2,700	2,847	(147)
Repairs and maintenance	9,400	9,400	16,993	(7,593)
Fuel and oil	3,000	3,000	3,285	(285)
Miscellaneous	6,500	6,500	(80)	6,580
Capital outlay			7,084	(7,084)
Total parks	100,095	100,095	103,220	(3,125)
Recreation				
Salaries	10,000	10,000	14,620	(4,620)
Employee benefits	765	765	972	(207)
Supplies	14,600	14,600	28,187	(13,587)
Insurance	6,500	6,500	4,185	2,315
Public utilities	900	900	311	589
Repairs and maintenance	5,000	5,000	5,620	(620)
Miscellaneous	8,000	8,000		8,000
Capital outlay			6,739	(6,739)
Total recreation	45,765	45,765	60,634	(14,869)
Swimming pool				
Salaries	34,000	34,000	27,803	6,197
Employee benefits	2,600	2,600	2,127	473
Supplies	10,000	10,000	10,113	(113)
Public utilities	9,000	9,000	9,563	(563)
Repairs and maintenance	10,000	10,000	592	9,408
Insurance and bonds	3,000	3,000	2,069	931
Concessions	1,000	1,000	1,053	(53)
Miscellaneous	3,000	3,000		3,000
Total swimming pool	72,600	72,600	53,320	19,280
Total culture and recreation	308,730	308,730	325,706	(16,976)
Total expenditures	\$ 1,011,558	\$ 1,011,558	\$ 936,659	\$ 74,899

Budgetary Comparison Schedule – Nonmajor Governmental Fund

The Town reports the following nonmajor governmental fund:

Special Revenue Funds – These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- Conservation Trust Fund – This fund was established to account for the state lottery proceeds and allowable expenditures.

TOWN OF JULESBURG, COLORADO
Conservation Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Intergovernmental revenue				
State lottery revenues	\$ 13,000	\$ 13,000	\$ 16,754	\$ 3,754
Miscellaneous				
Interest on investments	500	500	283	(217)
Total revenues	13,500	13,500	17,037	3,537
Expenditures				
Culture and recreation	17,000	17,000	100,000	(83,000)
Total expenditures	17,000	17,000	100,000	(83,000)
Excess of revenues over (under) expenditures	\$ (3,500)	\$ (3,500)	(82,963)	\$ (79,463)
Fund balance at beginning of year			96,268	
Fund balance at end of year			\$ 13,305	

Budgetary Comparison Schedules – Proprietary Funds

The Town reports the following major proprietary funds:

Enterprise Funds – These funds are used to account for operations that provide services that are financed primarily by user charges, or activities where periodic measurement of income is appropriate for capital maintenance, public policy, management control or other purposes.

- Electric Fund – This fund was established to account for all operations of the electric utility services provided by the Town.
- Water Fund – This fund was established to account for all operations of the water utility services provided by the Town.
- Sewer Fund – This fund was established to account for all operations of the sewer utility services provided by the Town.
- Sanitation Fund – This fund was established to account for all operations of the sanitation utility services provided by the Town.

TOWN OF JULESBURG COLORADO
Electric Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Charges for services	\$ 1,286,000	\$ 1,286,000	\$ 1,288,786	\$ 2,786
Operating expenses				
Systems operation				
Salaries	83,560	83,560	87,849	(4,289)
Employee benefits	38,999	38,999	39,308	(309)
Power purchases	840,000	840,000	826,655	13,345
Professional fees	2,400	2,400		2,400
Repairs and maintenance	98,000	98,000	58,657	39,343
Public utilities	13,100	13,100	15,647	(2,547)
Fuel and oil	7,000	7,000	4,438	2,562
Supplies	34,300	34,300	78,973	(44,673)
Other	9,500	9,500	4,866	4,634
Equipment replacement	40,000	40,000	40,000	-
Capital purchases			93,785	(93,785)
Total systems operation	1,166,859	1,166,859	1,250,178	(83,319)
Administrative and general				
Salaries	48,420	48,420	49,639	(1,219)
Employee benefits	21,181	21,181	18,908	2,273
Professional fees	6,000	6,000	6,395	(395)
Office expense	864	864	864	-
Insurance and bonds	36,000	36,000	35,284	716
Repairs and maintenance	4,020	4,020	2,000	2,020
Public utilities	2,800	2,800	3,110	(310)
Fuel and oil	5,000	5,000	4,042	958
Supplies	9,045	9,045	10,205	(1,160)
Other	13,220	13,220	9,673	3,547
Total administrative and general	146,550	146,550	140,120	6,430
Total operating expenses	1,313,409	1,313,409	1,390,298	(76,889)
Operating loss	(27,409)	(27,409)	(101,512)	(74,103)

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Nonoperating revenues				
Interest on investments	3,200	3,200	1,209	(1,991)
Miscellaneous revenue	11,300	11,300	15,378	4,078
Total nonoperating revenues	14,500	14,500	16,587	2,087
Net income loss before transfers	(12,909)	(12,909)	(84,925)	(72,016)
Transfers out		(53,000)	(53,000)	-
Change in net position	\$ (12,909)	\$ (65,909)	(137,925)	\$ (72,016)
Adjustments to GAAP Basis				
Add capital purchases			93,785	
Deduct depreciation			(34,244)	
Change in net position - GAAP Basis			(78,384)	
Net position at beginning of year			1,332,421	
Net position at end of year			\$ 1,254,037	

TOWN OF JULESBURG COLORADO
Water Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Charges for services	\$ 410,420	\$ 410,420	\$ 468,590	\$ 58,170
Operating expenses				
Systems operation				
Salaries	40,500	40,500	54,232	(13,732)
Employee benefits	27,994	27,994	11,046	16,948
Professional services	10,000	10,000	62,213	(52,213)
Supplies	18,000	18,000	26,947	(8,947)
Repairs and maintenance	50,000	115,000	13,723	101,277
Public utilities	60,000	60,000	63,138	(3,138)
Fuel and oil	2,500	2,500	1,513	987
Lab analysis	3,500	3,500	2,266	1,234
Other	9,030	9,030	52	8,978
Equipment replacement	5,000	5,000	5,000	-
Capital purchases	90,000	90,000	48,468	41,532
Total systems operation	316,524	381,524	288,598	92,926
Administrative and general				
Salaries	48,420	48,420	49,639	(1,219)
Employee benefits	21,181	21,181	18,908	2,273
Professional fees	3,000	3,000	3,123	(123)
Office expense	420	420	422	(2)
Insurance and bonds	18,000	18,000	17,252	748
Public utilities	2,500	2,500	2,381	119
Supplies	4,500	4,500	5,419	(919)
Other	500	500	231	269
Total administrative and general	98,521	98,521	97,375	1,146
Total operating expenses	415,045	480,045	385,973	94,072
Operating income (loss)	(4,625)	(69,625)	82,617	152,242

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Nonoperating revenues (expenses)				
Interest on investments	4,000	4,000	4,483	483
Grants and loans	30,000	30,000		(30,000)
Water tower lease	68,600	68,600	68,815	215
Miscellaneous revenue	4,000	4,000	2,617	(1,383)
Principal paid on notes	(16,540)	(16,540)	(16,500)	40
Interest and fiscal charges	(21,083)	(21,083)	(20,773)	310
Total nonoperating revenues (expenses)	68,977	68,977	38,642	(30,335)
Net income (loss) before transfers	64,352	(648)	121,259	121,907
Transfers in		65,000	65,000	-
Change in net position	\$ 64,352	\$ 64,352	186,259	\$ 121,907
Adjustments to GAAP Basis				
Add principal paid on notes			16,500	
Add capital purchases			48,468	
Deduct depreciation			(70,498)	
Change in net position - GAAP Basis			180,729	
Net position at beginning of year			2,418,382	
Net position at end of year			\$ 2,599,111	

TOWN OF JULESBURG, COLORADO
Sewer Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Charges for services	\$ 354,502	\$ 354,502	\$ 364,168	\$ 9,666
Operating expenses				
Systems operation				
Salaries	42,200	42,200	44,390	(2,190)
Employee benefits	24,395	24,395	24,647	(252)
Professional services	24,000	24,000	22,809	1,191
Supplies	20,000	20,000	11,456	8,544
Repairs and maintenance	40,000	40,000	18,944	21,056
Public utilities	23,000	23,000	22,341	659
Fuel and oil	9,000	9,000	7,833	1,167
Lab analysis	25,000	25,000	19,872	5,128
Other	3,100	3,100	622	2,478
Equipment replacement	5,000	5,000	5,000	-
Capital purchases	20,000	20,000	15,221	4,779
Total systems operation	235,695	235,695	193,135	42,560
Administrative and general				
Salaries	24,210	24,210	24,820	(610)
Employee benefits	10,590	10,590	11,895	(1,305)
Supplies	600	600	651	(51)
Professional fees	350	350	362	(12)
Insurance and bonds	2,000	2,000	1,954	46
Public utilities	250	250	187	63
Other	398	398	198	200
Total administrative and general	38,398	38,398	40,067	(1,669)
Total operating expenses	274,093	274,093	233,202	40,891
Operating income	80,409	80,409	130,966	50,557

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Nonoperating revenues (expenses)				
Interest on investments	2,500	2,500	909	(1,591)
Miscellaneous revenue	5,000	5,000		(5,000)
Principal paid on note	(47,000)	(47,000)	(57,099)	(10,099)
Interest and fiscal charges	(11,858)	(11,858)	(1,330)	10,528
Total nonoperating revenues (expenses)	(51,358)	(51,358)	(57,520)	(6,162)
Change in net position	\$ 29,051	\$ 29,051	73,446	\$ 44,395
Adjustments to GAAP Basis				
Add capital purchases			15,221	
Add principal paid on note			57,099	
Deduct depreciation			(67,178)	
Change in net position - GAAP Basis			78,588	
Net position at beginning of year			2,645,278	
Net position at end of year			\$ 2,723,866	

TOWN OF JULESBURG, COLORADO
Sanitation Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Charges for services	\$ 214,000	\$ 214,000	\$ 227,695	\$ 13,695
Operating expenses				
Systems operation				
Salaries	42,660	42,660	57,540	(14,880)
Employee benefits	24,157	24,157	17,227	6,930
Supplies	3,000	3,000	3,905	(905)
Repairs and maintenance	35,000	35,000	26,754	8,246
Fuel and oil	10,000	10,000	24,537	(14,537)
Landfill charges	50,000	50,000	42,600	7,400
Dumpster expense	6,000	6,000	2,535	3,465
Other	1,000	1,000	170	830
Equipment replacement	10,000	10,000	10,000	-
Capital purchases			18,490	(18,490)
Total systems operation	181,817	181,817	203,758	(21,941)
Administrative and general				
Salaries	16,140	16,140	16,549	(409)
Employee benefits	7,059	7,059	9,530	(2,471)
Office expense	848	848	735	113
Professional fees	350	350	362	(12)
Public utilities	200	200	197	3
Insurance and bonds	2,400	2,400	1,954	446
Total administrative and general	26,997	26,997	29,327	(2,330)
Total operating expenses	208,814	208,814	233,085	(24,271)
Operating income (loss)	5,186	5,186	(5,390)	(10,576)

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Transfers out		(12,000)	(12,000)	-
Change in net position	\$ 5,186	\$ (6,814)	(17,390)	\$ (10,576)
Adjustments to GAAP Basis				
Add capital purchases			18,490	
Deduct depreciation			(19,309)	
Change in net position - GAAP Basis			(18,209)	
Net position at beginning of year			568,743	
Net position at end of year			\$ 550,534	

This page intentionally left blank.

Budgetary Comparison Schedule – Internal Service Fund

Internal Service Funds – These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Town on a cost reimbursement basis.

The Town reports the following internal service fund:

- Capital Replacement Fund – This fund accounts for equipment management services provided to other departments of the Town on a cost reimbursement basis.

TOWN OF JULESBURG, COLORADO
Capital Replacement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Charges for services	\$ 60,000	\$ 60,000	\$ 60,000	\$ -
Total revenues	60,000	60,000	60,000	-
Expenses				
Capital outlay	20,000	20,000	34,249	(14,249)
Total expenses	20,000	20,000	34,249	(14,249)
Operating income	40,000	40,000	25,751	(14,249)
Nonoperating revenues				
Earnings on investments	500	500	1,120	620
Total nonoperating revenues	500	500	1,120	620
Change in net position	<u>\$ 40,500</u>	<u>\$ 40,500</u>	26,871	<u>\$ (13,629)</u>
Adjustments to GAAP Basis				
Add capital purchases			34,249	
Deduct depreciation			<u>(31,423)</u>	
Change in net position - GAAP Basis			29,697	
Net position at beginning of year			<u>321,804</u>	
Net position at end of year			<u>\$ 351,501</u>	

Budgetary Comparison Schedule – Fiduciary Fund

These funds focus on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds.

The Town reports the following fiduciary fund:

Pension (and other employee benefit) trust funds – These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations or other governments.

- Firemen's Pension Fund – This fund was established to account for contributions made to a single-employer defined benefit plan on behalf of the Town's volunteer fire fighters.

TOWN OF JULESBURG, COLORADO
Firemen's Pension Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Additions				
Contributions				
Rural	\$ 5,075	\$ 5,075	\$ 5,075	\$ -
Town	3,500	3,500	3,500	-
State	3,150	3,150	3,150	-
Total contributions	11,725	11,725	11,725	-
Investment income				
Interest on investments	200	200	133	(67)
Total investment income	200	200	133	(67)
Total additions	11,925	11,925	11,858	(67)
Deductions				
Pension benefits	10,584	10,584	10,102	482
Total deductions	10,584	10,584	10,102	482
Change in net position	\$ 1,341	\$ 1,341	1,756	\$ 415
Net position restricted for pensions				
Beginning of year			36,108	
End of year			\$ 37,864	

**Colorado Department of Highways
Local Highway Finance Report**

This calendar-year report of receipts and expenditures is required by the Colorado Department of Highways to maintain Statewide accountability for moneys used for highway and street purposes. To ensure data accuracy, House Bill 1008 mandates that this report be included in the Town's financial statements.

LOCAL HIGHWAY FINANCE REPORTSTATE:
COLORADO
YEAR ENDING (mm/yy):
12/22This Information From The Records Of:
Town of JulesburgPrepared By:
Carrie Hartwell, Town Clerk / Treasurer**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES**III. EXPENDITURES FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 147,286.33
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 182,739.50
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations		b. Snow and ice removal	
3. Other local imposts (from page 2)	\$ 301,616.81	c. Other	\$ 30,617.89
4. Miscellaneous local receipts (from page 2)	\$ -	d. Total (a. through c.)	\$ 30,617.89
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 360,643.72
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 301,616.81	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 59,026.91	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 360,643.72	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 360,643.72

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				\$ -
1. Bonds (Refunding Portion)				\$ -
B. Notes (Total)				\$ -

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		\$ 360,643.72	\$ 360,643.72		\$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
COLORADO
YEAR ENDING (mm/yy):
12/22

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	\$ 28,809.34	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	\$ 232,509.90	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 40,297.57	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 272,807.47	h. Other	
c. Total (a. + b.)	\$ 301,616.81	i. Total (a. through h.)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 53,090.12	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 5,936.79	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal	
f. Total (a. through e.)	\$ 5,936.79	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 59,026.91	3. Total (1. + 2.g)	\$ -
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements			\$ -
(3). System Preservation		\$ 147,286.33	\$ 147,286.33
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 147,286.33	\$ 147,286.33
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 147,286.33	\$ 147,286.33

(Carry forward to page 1)

Notes and Comments: